

Instructions for FTB 2335 — VITA Military Worksheet

Complete the client's Federal (1040) return in TaxWise prior to filling out this Military Worksheet.

Abbreviations T (Taxpayer), S (Spouse), J (Joint), MFJ (married filing jointly), MFS (Married Filing Separately), HOH (Head of Household), QW (Qualified Widow), and S (Single).

On the top of the 2335 form, complete the client information and adjustments.

1. Fill in the clients' names.
2. Fill in the number of months you were a California resident/nonresident.
3. Check the appropriate Active Duty Military and/or Civilian or Retired Military boxes.
4. Fill in the state of domicile and check the appropriate community or separate property state box.
5. Check the appropriate boxes for the "California Adjustments" entries for the differences between federal and California tax law.
6. Normally, full year residents filing single or married, stop here, and complete the resident tax return.
7. Nonresidents or part-year residents continue the worksheet to determine the federal AGI for their separate California returns.

Complete The Income and Adjustments

1. The 1st column list types of income.
2. Mark each income line as "T" for taxpayer, "S" for spouse, and "J" for joint in "TSJ" column.
3. The line numbers match the 1040 page 1 (these amounts come from the client's income forms such as W-2, 1099, etc).
4. On the total amount column, enter the client's income from W2, 1099, etc.
5. Split the federal income into the client 1 and 2 columns based on each client's domicile , community or separate property state. Total down the income for each column and subtract the adjustments to obtain the federal adjusted gross income.
6. Use the Federal entries to complete the California resident, and nonresident.
7. Notice the blocked, shaded boxes on the right side of this form. These correspond to the adjustments for the differences between federal and California tax law for the boxes checked in the "California Adjustments." In the "California Subtraction Adjustments" at the bottom, you make the proper adjustment and manually total the AGI (Adjusted Gross Income) line.
8. Only include income taxable to California, Caution: We assume income is received evenly throughout the year. For part-year residents, recalculate the income received while residing in California.
9. Total across the California taxable columns for each type of income to complete the California Total Amounts Schedule CA column E totals.
10. Total down the income for each column and subtract the adjustments to obtain the California adjusted gross income (AGI).

In Tax Wise Transfer This Information On To The Tax Form and Schedules

1. Using the Military Worksheet, complete the RES/NR WKT (resident/nonresident or part-year resident worksheets) and the Schedule CA CA (540NR) in TaxWise..
2. The far right column on this worksheet California Total Amounts, 540NR Schedule CA Column E, needs to match the TaxWise 540nr Schedule CA CA Column E.
3. Once TaxWise matches this worksheet, print a copy of this form for the client's records and attach to the tax return.